

AMENDED IN SENATE APRIL 24, 2003

SENATE BILL

No. 927

Introduced by Senator Alarcon

February 21, 2003

~~An act to add Chapter 2 (commencing with Section 2500) of Part 9 of Division 2 of the Labor Code, relating to stadiums and arenas. An act to amend Section 19134 of the Government Code, relating to public contracts.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 927, as amended, Alarcon. ~~Stadiums and arenas: health care benefits~~ *Personal services contracts: employee compensation.*

Existing law permits state agencies to enter into personal services contracts when certain conditions are met. These conditions include requiring a state agency that enters into a personal services contract for certain types of workers to include provisions for employee benefits that are valued at least 85% of the state employer cost of wages and benefits provided to state employees performing similar duties. Existing law applies these provisions to wages and benefits of employees of subcontractors providing the same types of services in state-leased facilities where the facility is at least 50,000 square feet in area and the state leases all of the occupied floorspace of the facility.

This bill would instead apply those provisions to wages and benefits of employees of subcontractors providing the same types of services in state-leased facilities where the state leases a substantial portion of the occupied floorspace of the facility.

~~Existing law does not require the operator of a stadium or arena to assess professional sports teams using the stadium or arena in order to pay for the health care benefits of maintenance and support employees.~~

~~This bill would require the operator of any stadium or arena, any portion of which is publicly financed or assisted in its operation by public funds of any kind, and that is used by a professional sports team for athletic contests, to annually assess a fee on every professional sports team using the stadium or arena for that purpose in an amount that is sufficient, in the aggregate, to support 25% of the annual health care benefit costs of maintenance and support employees of the stadium or arena.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

~~SECTION 1. Chapter 2 (commencing with Section 2500) is added to Part 9 of Division 2 of the Labor Code, to read:~~

~~CHAPTER 2. STADIUMS AND ARENAS~~

~~2500. The operator of any stadium or arena, any portion of which is publicly financed or assisted in its operation by public funds of any kind, and that is used by a professional sports team for athletic contests, shall annually assess a fee on every professional sports team using the stadium or arena for that purpose in an amount that is sufficient, in the aggregate, to support 25 percent of the annual health care benefit costs of maintenance and support employees of the stadium or arena.~~

~~SECTION 1. Section 19134 of the Government Code is amended to read:~~

~~19134. (a) Personal services contracts entered into by a state agency in accordance with Section 19130 for persons providing janitorial and housekeeping services, custodians, food service workers, laundry workers, window cleaners, and security guard services shall include provisions for employee wages and benefits that are valued at least 85 percent of the state employer cost of wages and benefits provided to state employees for performing similar duties.~~

~~(b) For purposes of this section, “benefits” includes “health, dental, retirement, and vision benefits, and holiday, sick, and vacation pay.”~~

1 (c) (1) The Department of Personnel Administration shall
2 establish annually the state employer wage and benefit costs for
3 workers covered pursuant to this section.

4 (2) Benefit costs shall be established using rates based on single
5 employee, employee plus one dependent, and employee plus two
6 or more dependents, or the costs may be based on a blended rate,
7 subject to the determination of the Department of Personnel
8 Administration.

9 (d) In lieu of providing actual benefits, contractors may comply
10 with this section by a cash payment to employees equal to the
11 applicable determination under subdivision (c).

12 (e) Failure to provide benefits or cash-in-lieu to employees as
13 required under this section shall be deemed to be a material breach
14 for any contract for personal services covered by this section.

15 (f) The Department of General Services and the Department of
16 Personnel Administration may adopt guidelines and regulations to
17 implement the requirements of this section.

18 (g) This section applies to all contracts exceeding 90 days.

19 (h) Holiday pay shall be provided to employees of contractors
20 providing services specified in subdivision (a) on any state holiday
21 that the state facility in which the services are being provided is
22 closed.

23 (i) This section shall also apply to wages and benefits of
24 employees of subcontractors providing services specified in
25 subdivision (a) in state-leased facilities where ~~the facility is at least~~
26 ~~50,000 square feet in area and~~ the state leases ~~all~~ *a substantial*
27 *portion* of the occupied floorspace of the facility.

